

Test Questions**CASH MANAGEMENT PROGRAM**

YES NO

1. Has the fund manager received current copies of pertinent regulatory guidance (AR 215-1 and DOD 7000.14-R, Volume 13, August 1994), on cash management? Also, has the Army MWR web site been reviewed to get the most current Financial Management Memorandum guidance? If yes,

Did NOT
receive
DOD 7000

Did the manager review guidance from the Army, including information on the MWR web site, and the Defense Finance and Accounting Service (DFAS) DoD 7000.14-R, to make sure it covers all local operating conditions? If yes,

- Were there any controls that could not be implemented because of local operations? If yes,

Was an exception to policy obtained from the DA guidance proponent? If yes,

- Were alternative controls developed and furnished to activity managers?

2. Has the installation developed local guidance for cash management?

✓

- If yes, is local guidance consistent with DA published guidance?

3. Have all regulations and local guidance pertaining to cash management been furnished to activity managers?

✓

4. Have managers been instructed to contact their Financial Management Division for assistance with implementing the guidance and procedures?

✓

5. Do managers' job performance standards contain specific requirements for internal control responsibilities for cash management?

✓

6. Do job performance standards include internal control responsibilities as a rating element?

If yes, is it a critical element?

✓

NO

7. Do activity managers complete internal control check lists covering cash management procedures? ✓
- If yes, were completed
check lists reviewed by the division chief or fund manager? ✓
8. Were activity managers' performance of internal control responsibilities adequately assessed and documented in periodic ratings? ✓
9. Does the installation's fund manager annually certify that internal controls for cash management were implemented and maintained? ?
10. Does the NAFI maintain a cash to debt ration between 1:1 and 2:1 (total cash divided by current liabilities)? ?
11. Does the NAFI generate a positive Net Income Before Depreciation (NIBD) at the percentage specified for each fiscal year? ✓
12. Are items purchased on approved budgets? ✓
13. Does a NAFI's capital purchases and minor construction (CPMC) execution meet the MWR CPMC execution rate established by the MWR BOD? ✓

CASH CONTROLS

NO

1. Are the following controls used by activities to record cash receipts?

Are the sales amounts displayed on cash registers visible to customers?

✓

Are cash register receipts given to customers?

✓

- Are all sales individually rung on cash registers?

- Are voided sales properly recorded on the cash register tapes?

n/a

✓

- Do activity managers verify the validity of voided sales?

✓

Are automated Daily Activity Reports (DARs) being submitted to the accounting office when POS systems such as RECTRAC/GOLFTRAC!, etc., are implemented?

- Are the automated DAR documents submitted to the accounting office without handwritten changes?

In activities where no automated point of sale (POS) system exists, are register tapes retained and submitted to the central accounting office with the daily activity report?

n/a

- When there is no automated POS implemented, are sequentially prenumbered guest checks or cash receipt documents used to record cash receipts?

n/a

Are prenumbered forms controlled and accounted for, and when used, are DA Forms 1992 prenumbered, controlled and accounted for by the MWR fund Financial Management Division?

2. Are cash register readings taken only by the activity manager or the manager's designee?

3. Are cash register cumulative readings only cleared at month-end?

n/a

YES NO

4. Are the following controls used by the activity to restrict access to and safeguard cash assets stored in safes?

- Are documents posted showing personnel with access to the safe(s)?

✓

Is the number of people with access to the safe(s) restricted?

✓

Are opened safes attended at all times?

✓

- Do safes have adequate protection features for the amount of cash and negotiable instruments stored?

- Are safe combinations changed either annually or when a change in authorized personnel occurs?

✓

Are security containers or safes for securing cash and other negotiable instruments equipped with a three-tumbler combination lock?

✓

5. Are activities depositing cash receipts daily, or for small activities whenever cash on hand reaches \$500 or weekly?

6. Are military escorts obtained for all deposits exceeding \$5,000?

✓

7. Are the cash amounts retained at the activity limited to minimum levels necessary to support change funds, petty cash funds, check cashing funds, and similar functions?

- Are the amounts that are retained justified to and approved by the fund manager?

Are the balances checked at least once a year and/or when there is a change to operations that may affect cash on hand requirement?

✓

8. Do managers perform surprise cash counts at all activities quarterly? If yes,

✓

Were all funds maintained by the activity counted at the same time?

NO

Were cash receipts on hand included in the cash count?

- Were cash counts documented to show the denomination of cash counted and the checks or petty cash receipts considered?

Was the amount of cash counted reconciled to authorization and cash receipt documents?

- Does documentation show that all discrepancies were resolved?

9. Are all funds analyzed annually to determine whether amounts retained are required, and not excessive? If yes,

✓

- Were recommendations made to reduce the amount or number of funds maintained? If yes,

Were recommendations based on the analysis implemented?

10. For petty cash funds:

Are petty cash funds and the amount designated for each, not to exceed \$500, established in writing by the DCA or equivalent?

Does the amount of the fund NOT exceed one month's requirements?

✓

Is each transaction documented with a prenumbered DA Form 1994 (Petty Cash Voucher) signed by the designated approving authority?

Is a separate voucher used for each disbursement?

Are supporting data, such as invoices or freight bills, supplementing the voucher attached to the voucher, and all voucher numbers accounted for, when turned in to the Accounting Officer (AO) for replenishment?

✓

At a minimum, is a request to reimburse the fund sent to the Accounting Officer (AO) as of the last day of the month?

NO

Does any one transaction exceed the maximum amount prescribed of \$500 or a lower amount prescribed by the MACOM, Installation, or NAFI?

✓

Have any transactions been fragmented to circumvent the

limitation prescribed in para "e" above?

Have any funds been used for cashing checks or paying salaries and wages?

✓

Have any funds been used to circumvent normal procurement procedures?

✓

Has a separate fund been used if cash is given as bingo prizes?

In foreign locations does the NAFI have one fund in the local foreign currency as well as one in dollars for petty cash expenditures, including payment of cash prizes for bingo? n/a

11 For U.S Dollar Change Funds

Is the custodian properly appointed in writing by the DCA or equivalent?

✓

Is the amount of the change fund property established by the DCA or equivalent?

✓

Are cash receipts and all checks cashed from the fund deposited daily and funds replenished?

✓

Are funds used to exchange dollars for foreign currency?

✓

12. For Foreign Currency Cash Funds:

Is the custodian properly appointed in writing by the DCA or equivalent? n/a

Is the amount of the change fund properly established by the DCA or equivalent?

Are cash receipts and all checks cashed from the fund deposited daily and the fund replenished?

YES

13. For Check Cashing:

Are written procedures in place for cashiers to follow when cashing checks and do they incorporate the controls identified in Appendix G?

✓

Is a bad check list available for the cashier to consult and is it current?

___ ✓

Do cashiers initial checks to indicate the proper procedures have been followed?

✓ ___

Completed by Donna K. Marchigiani
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